

Fiscal Year 2003

# Annual Report

United States  
Department of Agriculture  
Rural Development California



## Leadership in the Golden State

- First in Business and Industry Loans and Grants
- Number One in Single Family Housing
- Number One in Farm Labor Housing

**"Working Together  
for Rural Jobs, Families  
And Communities"**

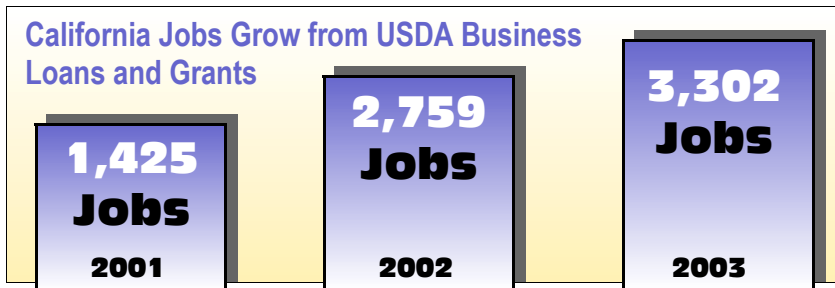


## Rural Business and Industry Staff Set Record Totals

**With \$108.5 million in Guaranteed Business Loans, \$4.1 million in Value-Added Product Market Grants and a total of \$118.9 million in loans and grants overall, the California USDA-RD team had a banner**

year. *"Thanks to a great set of guaranteed lending partners and hard-working RD staff, we were able to extend government resources far above and beyond the original federal budget outlay,"* noted Paul Venosdel, State Director of Rural Development. *"We do it for the people,"* said Venosdel. *"And we are proud to be Number One in business*

*programs in the nation, because it means we are Number One in helping people get jobs and expand rural economic potential."*



Congressman Richard Pombo and State Director Paul Venosdel (right and left) discuss economic issues with Value-Added Product Market Development Grant recipients from Pacific Coast Producers and Diamond Walnuts.

## Multi-Family Housing Team Meeting Extraordinary Needs

**In 2003, \$27.2 million went to provide affordable multi-family housing opportunities for a wide variety of California residents, an increase of over 10% from last year's funding.**

Through Direct and Guaranteed Loans, Farm Labor Housing Loans and Grants and Housing Preservation Grants, Rural Development California worked with dedicated housing developers to



At USDA housing project in Delano, contest winners receive their Certificates of Award from State Director Paul Venosdel for their winning "Say No to Drugs" Red Ribbon Week posters.

create safe and secure places to live that are attractive as well as affordable. California is proud to once again lead the nation in Farm Labor Housing, this year funding projects totaling over \$23.9 million.

Rural Development California continues to meet the major challenges of California's unique housing market including skyrocketing insurance and workers' compensation rates, climbing labor and construction costs, the escalating cost of land and the expanding demand for affordable housing due to an ever-increasing population.

## USDA-RD Water and Facilities Staff Reaching Out in Rural California Communities

**The 29 new or improved water and wastewater projects funded through Rural Development California greatly benefited rural families, businesses and communities.**

**The \$48.3 million in loans and grants** that funded these improvements is well spent to improve living and working conditions and community economic potential all across the state.

**Community Facilities projects this year totaled \$20.2 million on 47 projects,** ranging from major senior centers and youth crisis centers to remote fire station equipment and building repairs. *"Whether loans, grants or a combination of the two,"* said Janice Waddell, Water and Facilities Program director, *"these water and CF funds are dramatic improvements in the quality of life for rural Californians."*



At a meeting in the town of Murphys, Congressman Doug Ose and State Director Paul Venosdel join a panel of experts to discuss rural economic development in the Sierra Nevada foothills.



## Self-Help Housing Conference Highlights First-in-Nation Year

**Partnering with 13 Self-Help Housing development corporations to put more than \$36.6 million in funding to work keeps Rural Development California's staff extremely busy.**

Those partnerships and the highly dedicated staff in our local and state offices have made California's Rural Housing Service team number one in the nation in Self-Help Housing dollars.

**In June 2003, RD California attracted National Office staff to our Single Family Housing Conference in Coachella Valley: Reinforcing Rural Housing Partnerships.**

At California's request, RHS Administrator Art Garcia and RHS National Office Senior Program Staff David Villano and Carolyn Bell discussed critical issues with the audience of Self-Help Housing Program grantees and USDA Rural Development staff in the West. RD staff from Washington state, Nevada, Arizona and Idaho also attended the Conference. As a conclusion, attendees were treated to a Self-Help Housing tour, traveling to projects in Coachella and Mecca with a dedication ceremony and lunch at Las Mexicas project in Mecca where Homeownership Month was also celebrated.



At RD California's June Self-Help Housing Conference in Coachella Valley, (left to right) California State Director Paul Venosdel, Rural Housing Administrator Art Garcia and Washington State Director Jackie Gleason.

## RD Staff Deployed to Assist California Fire Victims

The tragic devastation that scorched Southern California in October and November 2003 is difficult to describe. In numbers it encompassed five counties, destroying more than 3,600 homes, burning over 740,000 acres, injuring 260 and taking the lives of 26 people and causing more than \$2.2 billion in losses.

**"I lost all my family photos in the fire. But that's OK because I keep the important experiences and pictures of my life in my heart."**

**Cheryl Calac, Tribal Member San Pasqual Band of Mission Indians**

When the fires hit, Rural Development State Director Paul Venosdel immediately assembled a senior staff team to take action. The National Office was asked for approval of additional dollars for staff deployment and they quickly approved.

As soon as it was safe, Regional Development Managers Gurcharan Dhillon and Rich Brassfield were assigned to relocate to the San Diego and San Bernardino fire areas. Over the next several weeks, Gurcharan and Rich were the on-site managers, coordinating RD staff on site and conveying information that was forwarded to Secretary Vene-



Cedarpark Pines' fire damage losses were mitigated by USDA Rural Development's waiver of the annual audit requirement on the prior water system loan. This saves the utility over \$5,000 per year, freeing up local funds for repair and reconstruction.

man for reports to the White House. The team first performed damage assessment, then began the on site assistance and long term recovery phases. "I didn't really know the impact the fire was having to the area until I saw it," said Gurcharan. "The damage was unbelievable."

Remarkably, the only USDA funded projects damaged in the enormous burn zones were water systems. RD staff is continuing to work with system managers and local officials on recovery and is also with tribal leaders on housing replacement on several tribal lands.

Thanks to the following staff who worked above and beyond the call of duty: Ginny Monroe, Gurcharan Dhillon, Rich Brassfield, Mike Starinsky, Keith Johnson, Greg Aanestad, Dave Hartwell, Pete Yribarren, Doug Colucci, Jim McIntire, Chris Sundstrom, Sue Ladner, Janice Waddell, Bob Anderson, Roger Trindade, Paul Rice, Sally Tripp, Jose Guardado, Fred Smith, Rames Pruneda, Judy Twiley, Carolyn Mueller and Paul Lehman.



Rural Development staff travel to fire areas to discuss recovery with local leaders. (Left to right) Larry Smith, USDA-RD Nevada State Director; reporter from local paper; Duane Cash, Camp Waterman Water District Manager; Paul Venosdel, USDA-RD California State Director.

**United States  
Department of Agriculture  
Rural Development California**

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*Helping Rural  
People Succeed*



## RD California - 2003

### Guaranteed Business Loans

**\$108,506,950**

### Business/Value-Added Grants

**\$4,876,732**

### Intermediary Relending

**\$3,500,000**

### Single Family Housing

**\$121,339,690**

### Multi-Family Housing

**\$27,230,780**

### Water/Wastewater Loans/Grants

**\$48,336,790**

### Community Facilities Loans/Grants

**\$20,241,106**

**\$334,032,048**

USDA Rural Development is an equal opportunity Lender, Provider and Employer. Complaints of discrimination should be sent to USDA Director, Office of Civil Rights, Washington, D.C. 20250

## Secretary Veneman Cares About Rural California

### Message from USDA Secretary Ann M. Veneman

*The Bush Administration has made great strides in supporting investments in America's rural communities.*

*Rural infrastructure, such as education, healthcare, telecommunications, water treatment and community facilities, has been supported by more than \$13 billion in grants and loans. More than \$10.2 billion has been invested in rural housing, much of which supports the President's ambitious goal to increase minority homeownership by 5.5 million by 2010.*

*Through USDA's Rural Development programs, it is estimated that over 510,000 jobs have been created or saved since the beginning of the Bush Administration. USDA has invested nearly \$2.5 billion for rural business development in the form of loans, grants and technical assistance.*

*Major investments have been made in developing value-added industries, with a focus on promoting renewable energy. Over \$35 million*

*has been provided to support the development and marketing of renewable energy and the creation of energy efficient systems in rural areas.*

*We are also working with local communities to build and strengthen economic development partnerships with state and local governments. As we look to the future, we remain dedicated to ensuring that investments in rural California continue to bring new economic opportunities and an improved quality of life to rural families and communities.*



USDA Secretary Ann Veneman congratulates the California Rural Development Team for breaking the \$300 million mark in loans, grants and technical assistance.

## Finding Your Local USDA Rural Development California Office

For further information, contact our staff at one of the 25 local community offices throughout the State. You can also reach our state office staff in Davis at 530-792-5800 or visit our web site at: [www.rurdev.usda.gov/ca](http://www.rurdev.usda.gov/ca)

ALTURAS	530-233-4615	RED BLUFF	530-527-1013
AUBURN	530-885-7081	REDDING	530-226-2560
BAKERSFIELD	661-336-0967	SALINAS	831-757-5294
EL CENTRO	760-352-3314	SANTA MARIA	805-928-9269
ELK GROVE	916-714-1104	SANTA ROSA	707-526-6797
EUREKA	707-443-6714	STOCKTON	209-946-6244
FRESNO	559-276-7494	UKIAH	707-462-2916
HANFORD	559-584-9227	VICTORVILLE	760-843-6882
INDIO	760-342-4624	VISALIA	559-734-8732
MERCED	209-723-0475	WILLOWS	530-934-4614
MODESTO	209-491-9320	YREKA	530-842-5774
MORENO VALLEY	909-656-6800	YUBA CITY	530-673-4347
OROVILLE	530-533-4401		